

## REVENUE BUDGET MONITORING APRIL 2011 TO SEPTEMBER 2011

1.1 Appendix 2 outlines the Council's current financial position for the 2011/12 financial year to the end of September 2011 by Cabinet Portfolio. The Appendix shows the current forecast outturn position for services is an overspend of £120,000, or 0.03% of the gross expenditure budget (excluding Schools).

1.2 In addition, there is also a forecast one-off underspend on three items which have been moved to the Medium Term Financial Challenge Reserve, and are subsequently excluded from the figures in this report.

These items are £436,000 relating to the provision in the budget for the historic downsizing costs now not being required, as these costs were fully absorbed in the 2010/11 outturn, £360,000 provision for pay, and £611,000 income from the New Homes Bonus Grant.

1.3 Within the current £120,000 forecast service overspend figure, there are areas of over and under spending which are detailed below along with planned management actions being taken to reduce any overspends.

### 1.4 Leader's Portfolio – forecast £132,000 overspend

The forecast overspend on this portfolio is mainly due to an overspend of £198,000 in Legal & Democratic Services although this includes one-off restructuring costs amounting to £140,000 which will be considered when reviewing the application of the Council's Restructuring Reserve. Further work is also being undertaken to identify possible mitigating actions. There is a partial offset by the £65,000 forecast underspend in Improvement & Performance, mainly due to vacant posts in Human Resources.

### 1.5 Community Resources Portfolio – forecast £466,000 underspend

The forecast overspend on this portfolio is made up of the following variances:

**Support Services:** £165,000 underspend, mainly due to Commercial Estate income being forecast £209,000 above budget following acquisition of an additional asset. There are also some small underspends and overspends in other areas such as Traded Services, Property and Risk & Assurance Services.

**Corporate costs:** £301,000 underspend, mainly made up of £250,000 additional investment interest from higher than expected cash balances, and a £52,000 forecast underspend in the unfunded pension budget.

### **1.6 Wellbeing Portfolio – forecast £40,000 overspend**

There are several areas of overspending and under spending within Wellbeing, which are balanced within the Portfolio. Management are currently looking at the allocation and profiling of the additional funding to support increasing Social Care demands.

### **1.7 Early Years, Children & Youth Portfolio – forecast £7,000 underspend**

There is an overspend of £120,000 being forecast on children in care payments, and this is dependent on the number of children placed. This overspend is being offset by a saving of £100,000 in the re-tender of the home to school transport contract and other small underspends.

### **1.8 Homes & Planning Portfolio – forecast £4,000 overspend**

This forecast overspend on the Portfolio is due to underspends of £40,000 in Housing and £42,000 in Planning Services due to staff savings and increased income, offset against a £87,000 overspend in Land Charges & Building Control, mainly as a result of lower applications resulting in lower fees.

### **1.9 Sustainable Development Portfolio – forecast £317,000 underspend**

This underspend is almost entirely due to additional income forecast in Heritage, due to a higher level of performance expected over the Summer and increased spend per visitor head.

### **1.10 Neighbourhoods Portfolio – forecast £402,000 underspend**

There is a £326,000 underspend in Waste Services, mainly due to the rebasing of the recycling contract and staffing budget underspends, partially reduced by adverse income in trade waste. There are also a number of other small overspends and underspends in the Portfolio in Public Protection, Leisure and Customer Service Overheads.

### **1.11 Transport Portfolio – forecast £1,137,000 overspend**

This overspend is made up of a shortfall of £250,000 income budgets in Park & Ride, attributed to a drop in patronage following the implemented price increase, and an overspend in Car Parking of £700,000 due to shortfalls in income. There is also a £128,000 budget gap in Transport Design & Projects, along with a £49,000 overspend in Passenger Transport, attributable to increased concessionary fare volumes. Management are currently undertaking a detailed review and assessment to produce a report on the options and mitigations which may be available to reduce the forecast position.

## **CAPITAL BUDGET MONITORING – APRIL 2011 TO SEPTEMBER 2011**

1.12 The 2011/12 Capital Programme approved by Council in February 2011 was £33.6m (excluding contingency). Since then, £22.1m of spend on existing capital projects has been approved, along with rephasing of £12.6m as recommended in the 2010/11 Outturn Report.

1.13 The approved Capital Programme for 2011/12 is currently £68.3m (excluding contingency), and is detailed in Appendix 5(ii). Changes to the Capital Programme since September Cabinet are shown in Appendix 5(i).

### **1.14 Key Capital Issues**

- Bath Transport Package: At their meeting in July, Council agreed the basis of a revised Bid to the Department for Transport. The best and final bid was submitted in accordance with the deadline of 9<sup>th</sup> September 2011 and a decision from the DfT is expected in December
- Victoria Bridge: The requirements in respect of Victoria Bridge are currently being reviewed pending a formal proposal to the Council via PID & Capital Strategy Group as appropriate.
- Leisure Provision: The Leisure Strategy is currently under review and specific proposals will be considered as part of the Budget for 2012/13.
- Hetling Spring Borehole: The project proposal is planned to be taken to November Cabinet under a separate agenda item and is asking for approval of the Council's costs.
- Rossiter Road: Costs are currently being evaluated as part of a full scheme work up.
- Keynsham Regeneration: The Council are committed to a scheme and alternative funding options are being considered. The project will be reviewed at December Cabinet.
- Wellsway Sports Hall: An alternative planning application has been submitted and with a target determination date of 1<sup>st</sup> November.
- Combe Down Stone Mines: A final claim figure has been agreed in principle with HCA. Preparation has begun for the final audit due in November 2012.
- Norton Radstock Infrastructure: The initial highway scheme is currently being reviewed.